

Trust & Agency Funds



Highway 65 – Searcy County

U.S. Highway 65, on the state's major north-south arteries, snakes its way through the beautiful Ozark Mountains in Searcy County.



TRUST AND AGENCY FUNDS

Trust and agency funds are used to account for assets held by the State in a fiduciary capacity or as an agent for individuals, private organizations, or other governments and/or funds. The trust and agency funds consist of the following:

Expendable Trust Fund - This fund is accounted for in essentially the same manner as governmental funds and is administered by the Arkansas Employment Security Department to eligible unemployed workers.

Pension Trust Funds - These funds are accounted for in essentially the same manner as proprietary funds, and includes Judicial, Teacher, State Police, Highway, and APERS retirement plans.

Agency Funds - These funds are custodial in nature and do not involve measurement of operations. Included in these funds are assets held by the Insurance Department and various other state agencies.



Trust and Agency Funds Combining Balance Sheet

June 30, 1999

(Expressed in Thousands)

	Expendable Trust	Pension Trust		
	Employment Security Division	Judicial	Teacher	State Police
ASSETS:				
Cash and cash equivalents	\$239,596	\$ 3,588	\$ 359,503	\$ 66,248
Investments		99,624	7,886,238	215,855
Receivables, net:				
Accounts	48,488		27	
Employer			4,221	175
Employee			5,042	
Investment related		1,037	231,813	2,791
Due from other governments	5,707			
Due from other funds - primary government	229			
Advances to other funds - primary government			22,923	
Fixed assets, net			817	
Other assets				
TOTAL ASSETS	<u>\$294,020</u>	<u>\$ 104,249</u>	<u>\$ 8,510,584</u>	<u>\$285,069</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts payable		\$ 467	\$ 16	
Accrued and other liabilities	\$ 45,045		1,107,926	\$ 74,598
Due to other governments	10			
Due to other funds - primary government	93			
Agency liabilities				
Total Liabilities	<u>45,148</u>	<u>467</u>	<u>1,107,942</u>	<u>74,598</u>
Fund balance:				
Reserved for unemployment compensation	248,872			
Reserved for employee pension benefits		103,782	7,402,642	210,471
Total Fund Balance	<u>248,872</u>	<u>103,782</u>	<u>7,402,642</u>	<u>210,471</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$294,020</u>	<u>\$ 104,249</u>	<u>\$ 8,510,584</u>	<u>\$285,069</u>

Agency Funds				
Highway	APERS	Insurance Department	Other Agencies	Total
\$ 25,340	\$ 232,610	\$ 26,165	\$ 34,970	\$ 988,020
835,926	4,129,445	416,691	575	13,584,354
				48,515
1,065	3,601			9,062
327				5,369
7,684	36,322	13		279,660
			94	5,801
				229
				22,923
	133			950
	8			8
<u>\$870,342</u>	<u>\$ 4,402,119</u>	<u>\$442,869</u>	<u>\$ 35,639</u>	<u>\$ 14,944,891</u>
				\$ 483
\$ 10	\$ 496,123			1,723,702
			\$ 51	61
				93
		<u>\$442,869</u>	<u>35,588</u>	<u>478,457</u>
<u>10</u>	<u>496,123</u>	<u>442,869</u>	<u>35,639</u>	<u>2,202,796</u>
				248,872
<u>870,332</u>	<u>3,905,996</u>			<u>12,493,223</u>
<u>870,332</u>	<u>3,905,996</u>			<u>12,742,095</u>
<u>\$870,342</u>	<u>\$ 4,402,119</u>	<u>\$442,869</u>	<u>\$ 35,639</u>	<u>\$ 14,944,891</u>

Pension Trust Funds **Combining Statement of Changes in Plan Net Assets Held in Trust for** **Pension Benefits**

For the Fiscal Year Ended June 30, 1999

(Expressed in Thousands)

	<u>Judicial</u>	<u>Teacher</u>	<u>State Police</u>	<u>Highway</u>	<u>APERS</u>	<u>Total</u>
ADDITIONS:						
Contributions:						
Employer	\$ 4,069	\$ 166,786	\$ 6,748	\$ 14,499	\$ 93,323	\$ 285,425
Employee	<u>685</u>	<u>50,842</u>	<u> </u>	<u>6,925</u>	<u>453</u>	<u>58,905</u>
Total Contributions	<u>4,754</u>	<u>217,628</u>	<u>6,748</u>	<u>21,424</u>	<u>93,776</u>	<u>344,330</u>
Investment income:						
Net appreciation in fair value of investments	9,268	600,311	9,854	93,040	194,252	906,725
Interest	2,881	134,581	5,427	30,891	80,380	254,160
Dividends	487	60,948	1,476	1,344	17,846	82,101
Real estate operating income (loss)		1,928			(98)	1,830
Other		27,933	3,183	377	26,345	57,838
Less investment expense	<u>(429)</u>	<u>(43,044)</u>	<u>(3,772)</u>	<u>(1,777)</u>	<u>(36,783)</u>	<u>(85,805)</u>
Net Investment Income	<u>12,207</u>	<u>782,657</u>	<u>16,168</u>	<u>123,875</u>	<u>281,942</u>	<u>1,216,849</u>
Other additions - Miscellaneous revenues	<u>148</u>	<u>1,717</u>	<u>60</u>	<u> </u>	<u>7,494</u>	<u>9,419</u>
TOTAL ADDITIONS	<u>17,109</u>	<u>1,002,002</u>	<u>22,976</u>	<u>145,299</u>	<u>383,212</u>	<u>1,570,598</u>
DEDUCTIONS:						
Annuity benefits	3,303	243,874	7,731	27,734	99,225	381,867
Refunds of employee contributions	75	3,405		1,219	56	4,755
Administrative expenses	38	7,640	56		3,503	11,237
Other deductions	<u> </u>	<u> </u>	<u> </u>	<u>4,986</u>	<u>70</u>	<u>5,056</u>
TOTAL DEDUCTIONS	<u>3,416</u>	<u>254,919</u>	<u>7,787</u>	<u>33,939</u>	<u>102,854</u>	<u>402,915</u>
NET INCREASE	13,693	747,083	15,189	111,360	280,358	1,167,683
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AT BEGINNING OF YEAR	<u>90,089</u>	<u>6,655,559</u>	<u>195,282</u>	<u>758,972</u>	<u>3,625,638</u>	<u>11,325,540</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AT END OF YEAR	<u>\$ 103,782</u>	<u>\$ 7,402,642</u>	<u>\$210,471</u>	<u>\$870,332</u>	<u>\$ 3,905,996</u>	<u>\$ 12,493,223</u>

Pension Trust Funds

Statement of Net Plan Assets

June 30, 1999

(Expressed in Thousands)

	<u>Judicial</u>	<u>Teacher</u>	<u>State Police</u>	<u>Highway</u>	<u>APERS</u>
ASSETS					
Cash and cash equivalents	\$ 3,588	\$ 359,503	\$ 66,248	\$ 25,340	\$ 232,610
Investments	99,624	7,886,238	215,855	835,926	4,129,445
Receivables, net:					
Accounts		27			
Employer		4,221	175	1,065	3,601
Employee		5,042		327	
Investment related	1,037	231,813	2,791	7,684	36,322
Advances to other funds - primary government		22,923			
Fixed assets, net		817			133
Other assets					8
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 104,249</u>	<u>\$ 8,510,584</u>	<u>\$285,069</u>	<u>\$870,342</u>	<u>\$ 4,402,119</u>
LIABILITIES					
Accounts payable	\$ 467	\$ 16			
Accrued and other liabilities	<u> </u>	<u>1,107,926</u>	<u>\$ 74,598</u>	<u>\$ 10</u>	<u>\$ 496,123</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>467</u>	<u>1,107,942</u>	<u>74,598</u>	<u>10</u>	<u>496,123</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS					
	<u>\$ 103,782</u>	<u>\$ 7,402,642</u>	<u>\$210,471</u>	<u>\$870,332</u>	<u>\$ 3,905,996</u>

Agency Funds

Combining Statement of Changes in Assets and Liabilities

For the Fiscal Year Ended June 30, 1999
(Expressed in Thousands)

	Balance June 30, 1998	Additions	Deductions	Balance June 30, 1999
INSURANCE DEPARTMENT:				
Assets:				
Cash and cash equivalents	\$ 25,902	\$ 782	\$ 519	\$ 26,165
Investments	412,085	4,606		416,691
Investment related receivables	<u>19</u>	<u></u>	<u>6</u>	<u>13</u>
TOTAL	<u>\$438,006</u>	<u>\$ 5,388</u>	<u>\$ 525</u>	<u>\$442,869</u>
Liabilities - Agency liabilities	<u>\$438,006</u>	<u>\$ 5,388</u>	<u>\$ 525</u>	<u>\$442,869</u>
OTHER AGENCIES:				
Assets:				
Cash and cash equivalents	\$ 49,417	\$ 2,521,453	\$ 2,535,900	\$ 34,970
Investments	575			575
Due from other governments	<u>67</u>	<u>27</u>	<u></u>	<u>94</u>
TOTAL	<u>\$ 50,059</u>	<u>\$ 2,521,480</u>	<u>\$ 2,535,900</u>	<u>\$ 35,639</u>
Liabilities:				
Due to other governments	\$ 59		\$ 8	\$ 51
Agency liabilities	<u>50,000</u>	<u>\$ 2,521,480</u>	<u>2,535,892</u>	<u>35,588</u>
TOTAL	<u>\$ 50,059</u>	<u>\$ 2,521,480</u>	<u>\$ 2,535,900</u>	<u>\$ 35,639</u>